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DE RUEHKT #2493/01 3200650 ZNY CCCCC ZZH O 160650Z NOV 05 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 9136 INFO RUEHLM/AMEMBASSY COLOMBO IMMEDIATE 3932 RUEHKA/AMEMBASSY DHAKA IMMEDIATE 8968 RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 1889 RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 8791 RUEHLO/AMEMBASSY LONDON IMMEDIATE 3352 RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 3656 RUEHML/AMEMBASSY MANILA IMMEDIATE 1679 RUEHGV/USMISSION GENEVA IMMEDIATE 1023 RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 1682 RHEHNSC/NSC WASHDC IMMEDIATE RUEAIIA/CIA WASHDC IMMEDIATE

C O N F I D E N T I A L KATHMANDU 002493

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STPDTS

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TAGS: PREL PGOV EAID MCAP PTER NP
SUBJECT: FEAR AND HOPE IN EASTERN, RURAL NEPAL

REF: KATHMANDU 2407

Classified By: Classified by James F. Moriarty; Reasons 1.4 (b/d).

SUMMARY

11. (C) During a November 9-10 visit to the Morang and Dhankuta Districts in Eastern Nepal, the Ambassador met with the National Human Rights Commission's (NHRC) new Biratnagar team, journalists, NGO representatives, government officials, members of the business community, and discovered considerable fear of and little sympathy for the Maoists in the east. While the number of Maoists in the East was not extensive, apprehension in the villages remained rampant, the NHRC team told the Ambassador. NGO representatives and journalists highlighted the lack of presence by government and security forces. Dhankuta Appellate Court judges noted that Maoist terror had resulted in a drastic decrease in cases filed by villagers. The Ambassador also visited a USAID-funded literacy program for girls and met with underprivileged Dalit children. A visit to a tea plantation highlighted the positive effects of promoting high-value crop production to farmers, since increased prosperity in rural areas would undermine the Maoists' base. END SUMMARY.

MAOISTS REMAIN A THREAT

12. (C) Kuber Singh Rana, Senior Superintendent of Police of a zonal office headquartered in Dharan, estimated that there were 2,500 armed Maoist militants in a region covering six districts. Rana noted that there were about 5,000 personnel, about half of whom were RNA soldiers, under the Unified Command to oppose the Maoists. (Note: Not all of the 5,000 would be armed as most civil police do not carry weapons. A ratio of less than 2:1 of security personnel to insurgents is not favorable to the government, especially given Nepal's terrain. End note.) Rana also stated that it was an "open secret" that the police did not have enough ammunition to

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train with their World War II-era rifles. Rana said that since their cease-fire, Maoist attacks had decreased.

However, the Maoists were still recruiting and training, collecting arms and logistical support in the zone. Maoist extortion remained rampant.

¶3. (C) Since the September 3 declaration of the Maoist ceasefire, an NHRC promotion officer stated, NHRC Biratnagar had received no reports of crossfire between insurgents and government security forces in the eastern region. However, while the Maoists had cut back on violent attacks, they continued to recruit civilians and force them to participate in the insurgents' political programs. The Maoists had also imposed passports in parts of rural Nepal. The "Terai Liberation Front," a splinter faction of the Maoists, had also created a "new headache" in the area through abductions and forced donations. The group had also added an ethnic dimension to the conflict by forcing tribal people from the hilly areas out of Siraha District.

FEAR OF MAOISTS RAMPANT IN THE VILLAGES ...

 $\P4$. (C) Even though Maoist presence in Eastern Nepal was not extensive, fear in the villages was rampant, both Chief District Officer (CDO) Sambhu Ghimire and NGO representatives told the Ambassador. A "complete absence of government" was to blame, NGO representatives explained, lamenting that even UN agencies such as the UN Office of the High Commissioner for Human Rights (OHCHR) had yet to visit Eastern Nepal's rural areas. Security forces generally patrolled the areas surrounding their district headquarters and rarely ventured beyond the main roads, fearing for their own safety, the representatives stressed. Political parties were "honest, but weak" at the village level, they added, with little ability to extend their presence in the rural areas even after the Maoist ceasefire. Elections could build the confidence of the people, the Ambassador suggested, which would undermine the Maoists' hold on the rural population. The CDO commented that his office had already issued voter identity cards and prepared a security plan to ensure voters' safety.

... CAUSING JUDICIAL CASES TO DROP,

15. (C) Their court's caseload had dropped by ninety percent over the last three to four years, Chief Judge Kamanda Prasad Dev and Judge Kem Raj Sharma, Dhankuta Appellate Court, told the Ambassador. While the Ambassador noted this downward trend was consistent with other areas he had visited, the judges cited fear of and intimidation by the Maoists as well as the court's inability to reach remote areas to serve papers as reasons. They also pointed out the remnants of gun shots on their front gate, where Maoists had killed the Court's security guard six months prior. A "fear psychosis" remained, they added. The judges speculated that villagers feared Maoist retribution if they brought cases to court (rather than using the Maoist "court system"). The judges also noted that no Maoist had ever been tried on terrorist charges in Nepal.

AND IDPS TO INCREASE

16. (C) Nepal's young people suffered the most, the NHRC team explained, as Maoists forcibly recruited them and security forces targeted them as suspected Maoists, leading to their flight and an ever-burgeoning internally displaced person (IDP) problem, which the state did not yet have a policy to address. Separately, a journalist told the Ambassador that Maoists' continued pressure on rural families to contribute one family member to the insurgency was "eating up an entire generation" who were either fleeing the country or increasing the masses of Nepal's IDPs. The reporter added "they have nowhere to go, but they're going."

JOURNALISTS: PEACE LOSING GROUND

- 17. (SBU) During an informal lunch with six journalists from the eastern region, the Ambassador stressed that the government's restrictions on press freedoms had been a "step away" from democracy. The ultimate goal remained a return to a functioning democracy. The question remained how to get the Palace and the Parties to begin a dialogue. Journalists noted that the gap between the King and the Parties was widening, which, the Ambassador noted, put Nepal at great risk, as the Maoists had been able to use the growing division to their advantage. The Palace's recent media ordinance proved that the split would be increasingly difficult to bridge, the journalists explained, adding that the eastern region's four FM stations had ceased broadcasting news since the ordinance. One journalist observed that the growing divide between the Palace and the Parties, combined with the talks between the Parties and the Maoists, indicated that it is "peace that is losing ground."
- 18. (SBU) Underlining that the U.S. government remained deeply worried about Nepal's Maoist problem, the Ambassador told journalists that the ultimate solution would be for the Maoists to lay down their arms and return to the political mainstream. The unilateral Maoist ceasefire, however, was "no indication" that the Maoists were ready to do this, as they continued to extort, abduct and terrorize civilians; if the Palace were to respond, it could be an important "test of the Maoists' resolve," the Ambassador stated.

NHRC EASTERN OFFICE: BUILDING A HUMAN RIGHTS CULTURE

- 19. (C) At the National Human Rights Commission's Eastern Nepal Biratnagar office, Diana Baker, a USAID-funded international advisor, along with the Nepali team of protection officers, a promotion officer, and the regional director, explained that they had been working hard to "inculcate a human rights culture" in Nepal's eastern region since the NHRC Biratnagar office opened in February 2005. They noted that 378 cases had been registered with their office since February, which included 205 alleged violations by the government, 156 by the Maoists, and 17 by others. While none of the Nepali staff was specifically trained in conducting human rights investigations, they were "learning by doing" investigations, monitoring, and awareness raising. By putting themselves on the front lines, Baker noted, the NHRC team was slowly winning the respect of the human rights community, which had broken ties with the NHRC in May when HMGN reconstituted the Commission through a method questioned by many. However, many NGOs still refused to attend NHRC events if any of the new Commissioners was present.
- ¶10. (C) Access to detention centers remained "limited," the NHRC team asserted; in RNA facilities, NHRC officials had not been permitted to freely roam the grounds and interviews were conducted in a meeting room in the presence of security personnel. They said that access was not a problem at civilian detention centers. Since February 1, however, access had improved, particularly because the RNA had developed human rights cells. The NHRC remained frustrated with the government's failure to respond to its recommendations, as well as by its lack of direct communication with the Maoists, which had necessitated that NHRC issue public appeals. The NHRC asked for the international community's continued support and any human rights training it could provide.

BUSINESS COMMUNITY: ECONOMIC OPTIONS UNDERMINE THE INSURGENCY

111. (SBU) Members of the Dhankuta Chamber of Commerce told the Ambassador that the Maoists remained their biggest concern as the insurgents continued to kill and extort business men and women. "We need democracy first," one businesswoman stressed, "and then the Palace, Parties, and Maoists can find a way back to peace." Once these factors were in place, the Peace Corps and international investors would return to Nepal, Chamber members hoped. Nepal had good market potential with its neighbors, the Ambassador noted,

but investors would continue to shy away until democracy and peace were restored. One possible economic remedy to address the Maoist problem was to encourage smallholder farmers to produce high-value crops such as specialty tea. During a visit to a Dhankuta tea plantation, the Vice President of the Nepal Tea Association explained that the production of specialty tea could increase farmers' incomes by up to forty percent, thereby lessening the Maoists' attraction and eroding their poor, rural base. The USAID-supported Tea and Coffee Development Alliance had played a key role in developing the Himalayan Tea Producers Cooperative, which was working with the Specialty Tea Association of America to create a Code of Conduct for the industry. The Cooperative had already exported Nepali tea worth USD 1.7 million and attracted the interest of Whole Foods and Tazo Tea, a division of Starbucks.

USAID-SUPPORTED LITERACY PROGRAMS: CHANGING NEPAL'S FUTURE

112. (U) In a visit to the USAID/World Education-supported Girls' Access to Education (GATE) program, the Ambassador met with more than thirty girls participating in health-based literacy classes. Parents had advocated for the participation of their daughters in the GATE program, in which 259 students were now learning basic literacy through courses focused on issues ranging from keeping their farms clean to not getting married before reaching the age of twenty. The program also featured a small loan finance program, which allowed girls to borrow sums to start business ventures such as vegetable selling and chicken raising. In a separate visit, the Ambassador met with 21 children participating in the Scholarship Endowment Program in Dhankuta, a USAID-supported Save the Children program. program works with the Nepal National Dalit Social Welfare Organization to support Dalits in pursuing educational goals, providing tuition and basic supplies such as books, uniforms and kerosene for lamps to study by. The continuing participation of the program's alumni, some of whom have pursued graduate studies and successful careers, served as testament to the program's ability to help dismantle social and economic barriers for Nepal's lowest caste.

COMMENT

13. (C) Even though the number of Maoists is not high in Nepal's Eastern Development Region, neither is the number of security personnel. Fear remains widespread in the rural communities, where there is Maoist penetration into just about every village. The atmosphere is drastically different than in Kathmandu, where people have fallen into a state of complacency. Nearly a year after the last major Maoist attack inside the city, and particularly since the cease-fire, a significant number of Kathmandu-based politicians apparently want to believe the Maoists' assertions that they are seriously considering giving up violence and entering the political mainstream. The people in Eastern Nepal would take such claims with a large grain of salt.

MORIARTY